



Torrington Water Company

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OFFICE OF THE ATTORNEY GENERAL
DEPARTMENT OF ENVIRONMENTAL PROTECTION AND LAND REUSE

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January 29, 2010

Paul E. Stacey
Department of Environmental Protection
Bureau of Water Protection and Land Reuse
Planning & Standards Division
79 Elm Street
Hartford, CT 06106-5127



Re: Proposed Regulations of Connecticut State
Agencies Sections 26-141b-1 to 26-141b-9

Dear Mr. Stacey:

I write this letter to express concerns about the proposed stream flow regulations as I believe they will affect the Torrington Water Company.

Because the regulations as proposed have no definitions for the four classifications of rivers and stream segments, no standards by which the classifications are to be made, and no definitive standards to be used for the determination of watershed statistics, I cannot comment with any certainty on the effect the regulation will have on the Company's operation.

I would urge that the regulations be changed to address these issues and that the public be given an opportunity to comment after such changes are made.

I believe, however, that the regulations as proposed could have the following adverse effects:

1. Loss of Safe Yield -

Our calculations indicate that the Company would lose 25% of its safe yield. The margin of safety at current demand levels would be reduced from 77% to somewhere between 46% and 0% depending on the StreamStats algorithm finally selected. This reduction of safe yield will inhibit the ability of the Company to supply water to support economic growth and development in its service area, and to serve other neighboring areas whose supply is limited or of questionable quality as the Company has been able to do in the past when asked. The reduction in safe yield will mandate the development of new sources of supply in the future to satisfy the needs created by economic development in our service area, and in neighboring areas which have inadequate supplies of water. The cost of developing new sources of supply and the effect on rates would be dramatic.

2. Cost of Implementation -

We estimate the cost of modifying Reuben Hart Reservoir and Allen Dam Reservoir to be between \$400,000 and \$600,000. We project the need to hire a new employee to comply with the regulations at a cost of \$70,000.00. These costs would require a substantial increase in rates to all classes of our customers, including public fire protection rates, putting additional burdens on them, and on the taxpayers in times of economic hardship.

3. Impact on Water Quality -

Raw water quality will be affected during the deep draw down periods mandated by the regulations. This will result in additional treatment costs, or degraded quality of finished water, or both.

4. Taking Issue -

Depending on the classification of our dams, the regulations as proposed could require the Company to release more water to the stream than the inflow. This release would be made possible by the Company's investment in its dams and appurtenances. The Company should be compensated for this benefit provided by its investment.

5. Drought Relief -

The loss of safe yield and the drought relief allowed by the proposed regulations will not adequately protect the water supply in time of drought. The Company's major reservoir is a high storage type, a major benefit of which is to provide a reserve for drought emergencies. A drought does not manifest itself until a year or more after it has started. Any drawdown from that reserve storage during the beginnings of a drought will seriously affect the Company's ability to supply water.

I believe that potential impact of the proposed regulation on the Company's operations so seriously affects the public interest in terms of the health and economic development of the communities that the Company serves, that its dams and those of other water utilities should be exempt from the regulations.

The regulations unfairly burden the Company's rate payers and the communities it serves with the cost of compliance. They will reduce the Company's capacity to support our community's economic development and public health, and will reduce its ability to cope with droughts.

Public water supplies serve a greater public good than recreational and other impoundments which may be exempt from the regulations.

Without prejudice to my position that water utilities should be exempt from the regulations, I have the following additional comments:

- (a) I believe that the Company has a special situation that should make one of its dams exempt from the regulations.

The spillway of the Reuben Hart dam was modified in 1963 upon the order of the Army Corps of Engineers to divert water from Hart Brook to a flood control dam further upstream on the west branch of the Naugatuck River.

I don't know if this is a unique situation, but believe that if flood control dams are exempt, this dam and any other dams similarly modified should be exempt with respect to the stream segment affected by such a modification.

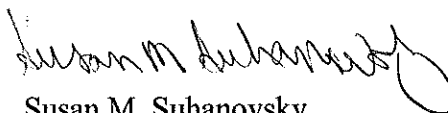
Department of Public Utility Control. We are proud that we have a plant that has the capacity to (1) satisfy the current and future needs of our service area for pure and safe water, (2) support economic growth and development, and (3) provide water to neighboring communities.

We believe that the regulation as proposed unreasonably restricts our ability to carry out our responsibilities.

My comments on the regulation as proposed should not be construed to be a waiver of the Company's right to challenge the authority of the DEP to promulgate the regulation.

Thank you for your consideration.

Very Truly Yours,
THE TORRINGTON WATER COMPANY

A handwritten signature in dark ink, appearing to read "Susan M. Suhanovsky", with a large, stylized flourish at the end.

Susan M. Suhanovsky
President